

SURREY COUNTY COUNCIL

DEPUTY LEADER

DATE: 11 SEPTEMBER 2013

LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR, ENVIRONMENT AND INFRASTRUCTURE

SUBJECT: ALLOCATION OF SURREY GROWTH FUND 2013/14



SUMMARY OF ISSUE:

The Deputy Leader is asked to approve the outline allocation of funding for projects to develop priority economic development activity in Financial Year 2013/14 through the Surrey Growth Fund.

RECOMMENDATIONS:

That the Deputy Leader agrees the recommended programme of economic development activity in **Annex A** for funding through the Surrey Growth Fund in FY 2013-14.

REASON FOR RECOMMENDATIONS:

The activities outlined correspond with the aims and objectives of the Surrey Growth Fund. The proposed programme of activity will enable the County Council to improve its capacity for bidding for external funding to support local sustainable economic growth.

The approach will assist the council in achieving the One County, One Team Corporate Strategy 2012-17 (as endorsed by Cabinet on 31 January 2012 and by full Council on 7 February 2012), which includes a specific priority to make Surrey's economy strong and competitive. It will support the council in its efforts to secure investment in Surrey, which would, in turn, help maintain the quality of life in the county.

DETAILS:

Business Case

1. The Surrey Growth Fund (SGF) was created to support activities that contribute to the council's corporate priority of making Surrey's economy strong and competitive. Through the use of the SGF, the council will be able to play a greater leadership role, both in the success of the Surrey economy and in securing additional investment in local sustainable economic growth.
2. The objectives for the use of the SGF, drawn from the Corporate Strategy priority to make Surrey's economy strong and competitive, are to:
 - increase the Gross Value Added (GVA) of Surrey through smart economic growth
 - support activities that cause a net gain of money flow into Surrey

- demonstrate visible leadership around economic development in Surrey and enhance the county council's reputation with the business community
 - seek out new economic opportunities and retain Surrey's existing business wealth.
3. A number of projects of priority economic development activity have been developed with outline funding requirements, attached at **Annex A**. The list is prioritised based on impact and deliverability. A programme of projects of this kind would support the delivery of the objectives for the use of the SGF. The projects proposed for FY 2013/14 include continued support for apprenticeships, capacity building to help shape and deliver the growth strategies and plans of the Enterprise M3 and Coast to Capital Local Enterprise Partnerships, developing our economic evidence base, work to maximize additional funding for Surrey and showcasing Surrey as a tourist destination.

CONSULTATION:

4. The Deputy Leader, Strategic Director Environment and Infrastructure, Assistant Director, Economy, Transport and Planning, Strategy Group Manager, Environment and Infrastructure, Programme Lead for Legacy and Magna Carta and the Chief Executive of Surrey Connects have been consulted on the proposed programme of priority economic development activity.

RISK MANAGEMENT AND IMPLICATIONS:

5. Failure to deliver infrastructure to support economic growth, such as schemes designed to improve surface access to airports, will reduce residents' quality of life and would harm Surrey's reputation. Unless the council is able to successfully identify the priorities for the county through studies and research, it will find itself unable to bid and lobby for infrastructure schemes.
6. Whilst the proposed programme includes activities such as improving our evidence base to demonstrate the need for more government investment in Surrey and work to attract more foreign direct investment in Surrey, there is no guarantee that external funding will be secured. However, without this work, there is a greater possibility that Surrey will be overlooked and the council will be hampered in its ability to bid for and secure external funding for economic development.

Financial and Value for Money Implications

7. The use of the Surrey Growth Fund (SGF) has been delegated to the Deputy Leader. In 2013-14 this revenue fund totals £1,380,000, of which £750,000 is ring fenced for supporting 500 apprenticeships.
8. The total cost of potential activities is estimated at £1,402,700. Expenditure will therefore need to be managed to ensure available funding is not exceeded.
9. Once the Deputy Leader has agreed a spending programme for the SGF, the monies should be delegated to the Strategy Group in the Environment and Infrastructure Directorate to spend in accordance with the approved programme. Progress on the use of the fund will be reported to the Deputy Leader by the Strategic Director, Environment and Infrastructure at their monthly Cabinet Member briefings.

Section 151 Officer Commentary

10. The Section 151 officer confirms that all material financial and business issues and risks have been considered in this report. Financial implications are summarised in paragraphs 7-9, and in annex A. The proposed list of activities in Annex A exceeds available budget and spend will therefore need to be carefully managed and monitored to avoid overspending.

Legal Implications – Monitoring Officer

11. There are no legal implications or legislative requirements associated with the report.

Equalities and Diversity

12. There are no identified negative equalities impacts. Where additional funding for infrastructure and transport schemes is secured, there will be positive impacts. Where applicable, equality impact assessments will be undertaken as a part of the delivery of individual projects.

WHAT HAPPENS NEXT:

14. Subject to the agreement, the programme, as set out in Annex A, will commence in September. Ongoing areas of work will continue.

Contact Officer:

Judith Jenkins, Economy Manager, 419364

Consulted:

Deputy Leader,
Strategic Director Environment and Infrastructure
Assistant Director, Economy, Transport and Planning
Strategy Group Manager, Environment and Infrastructure
Programme Lead for Legacy and Magna Carta
Chief Executive, Surrey Connects.

Annexes:

Annex A – Surrey Growth Fund Spending proposals 13/14

Sources/background papers:

- Surrey County Council, 'One county, one team corporate strategy 2012 to 2017'

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